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BEFORE THE
ILLINOIS COMMERCE COMMISSION

PUBLIC UTILITY REGULAR OPEN MEETING

Chicago, Illinois
January 12, 2010

Met, pursuant to notice, at 10:30 a.m.

BEFORE:

MR. CHARLES E. BOX, Chairman

MS. LULA M. FORD, Commissioner

MS. ERIN M. O'CONNELL-DIAZ, Commissioner

MR. SHERMAN J. ELLIOTT, Commissioner

MR. JOHN T. COLGAN, Commissioner

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1 CHAIRMAN BOX: Is everything ready in
2 Springfield?

3 JUDGE ALBERS: It is, Mr, Chairman.

4 CHAIRMAN BOX: Pursuant to the provisions of
5 the Illinois Open Meetings Act, I now convene a
6 special open meeting of the Illinois Commerce
7 Commission. With me in Chicago are Commissioners
8 Ford, O'Connell-Diaz, Elliott and Colgan.

9 We have a forum.

10 Before moving into the agenda, this is
11 the time we allow members of the public to address
12 the Commission. Member of the public wishing to
13 address the Commission must notify the Chief Clerk's
14 Office at least 24 hours prior to the bench session.
15 According to the Chief Clerk's Office, there are nine
16 requests to speak. Please forgive me if I don't do
17 justice to some of these names.

18 The first is Mr. David Schweickart,
19 you have 3 minutes to speak.

20 MR. DAVID SCHWEICKART: Where do I sit?

21 CHAIRMAN BOX: Up here at the microphone. Make
22 sure the green light is on and you have 3 minutes.

1 MR. DAVID SCHWEICKART: Well, I'm David
2 Schweickart. I'm a professor of law at Loyola
3 University. I teach a course in ethics and economic
4 justice, which is what brings me here. Let me thank
5 you for the opportunity to speak, if only for 3
6 minutes; but I must express my dismay at the lack of
7 information on the Web site about this very important
8 issue.

9 Last night in preparation for my 3
10 minutes of glory, I went to the natural gas section
11 of your Web site. I clicked on gas policy meetings,
12 the latest notification was for March 2008. I
13 clicked on the annual report on the development of
14 natural gas markets in Illinois, the latest available
15 report was 2007. I clicked on reports filed by the
16 Federal Energy Regulatory Commission, no reports were
17 posted, zero. Finally I clicked on rate case history
18 and got a long Excel spreadsheet for water and sewer
19 rates dating from 1975 on the natural gas Web page.

20 As a taxpayer and concerned citizen, I
21 find this lack of readily-accessible information
22 deeply disturbing. This, after all, is a decision

1 that will affect millions of people especially our
2 most vulnerable citizens. Equally disturbing is that
3 Peoples Gas claims the rate hike is needed to pay for
4 replacing aging infrastructure, this strikes me as
5 bogus. Before paying out dividends to shareholders,
6 companies are expected to set aside depreciation
7 allowances, are they not? There's nothing mysterious
8 or unforeseeable about equipment wearing out. Why
9 are these set-asides inadequate? Integrys Energy
10 Group has been paying substantial dividends annually
11 so there is no shortage of funds. This sounds to me
12 like a scam.

13 Finally, it's surely obvious in these
14 times when unemployment is rising, hours of work are
15 being cut back, raises for ordinary workers are
16 virtually nonexistent, it's more than unseemly to
17 raise the cost of so basic an item as home heating.
18 Surely justice demands that the pain be shared, which
19 means, as I see it, shareholders should do without
20 dividends when the economy is in such a slump. To
21 grant a rate hike now would not only be astonishingly
22 insensitive, but fundamentally unjust, a clear case

1 of dereliction of duty.

2 Bankers get their bonuses even when
3 they screw up massively inflicting the damage on
4 millions, taxpayers foot the bill. Peoples Gas wants
5 more money, ordinary citizens foot the bill, and
6 those who can't get their utilities disconnected. I
7 realize that you have no control over those bankers,
8 but you do have the power to not only block this rate
9 hike, but I think you have the power to halt the
10 disconnections. I urge you to do the things within
11 your power, halt and block.

12 Thank you for your attention. Please
13 do the right thing.

14 CHAIRMAN BOX: Thank you very much.

15 Next we have Ms. Elaine Phillips.

16 Ms. Phillips, you have 3 minutes.

17 MS. ELAINE PHILLIPS: Good morning. My name is
18 Elaine Phillips and I have lived in Chicago all my
19 life. I am a butcher and a stock person in a grocery
20 store. I'm speaking to you today on behalf of myself
21 and my family. Right now I have no gas and I have
22 done everything Peoples Gas has asked me to. I'm

1 paying Peoples Gas for property damage which I had
2 nothing to do with. I have made a good faith payment
3 that they asked for, but Peoples Gas still did not
4 reconnect my gas. Now they want to raise the rates
5 again? What do we have to give up? An arm and a
6 leg, now we the people of Illinois, need you, the ICC
7 to do your job. Reject the rate increase. Turn my
8 gas -- no, everyone's gas back on. Roll back the
9 rates and make gas affordable for everyone.

10 Thank you.

11 CHAIRMAN BOX: Thank you.

12 Next we have Ms. Ruth Bell Mejias.

13 Ms. Mejias, you have 3 minutes.

14 MS. RUTH BELL MEJIAS: Yes.

15 COMMISSIONER BOX: Just speak directly into the
16 microphone because this is being carried over the
17 Internet and the Springfield office.

18 MS. RUTH BELL MEJIAS: Good morning and thank
19 you for the opportunity to speak. My name is Ruth
20 Bell Mejias. I am a social worker here in the City
21 and I stand here -- or sit here today to tell you
22 just one thing, reject any rate hike from Peoples

1 Gas.

2 Peoples Gas is a profitable, private
3 business. They're accountable to their shareholders,
4 but the Illinois Commerce Commission is a Government
5 agency and you're accountable by law to the Illinois
6 residents. You pledged to keep the utilities
7 available, but the 56,000 families that started last
8 year without heat would tell you that they are not,
9 in fact, available. You pledged to keep the
10 utilities affordable, but the 80,000 families that
11 received disconnect notices last April would argue
12 that it is not, in fact, affordable. Your actions
13 have made heat a luxury.

14 Through abandoning your
15 responsibilities, you've made it possible for Peoples
16 Gas to a pay out huge dividends to their stockholders
17 while people resort to space heaters and other unsafe
18 methods to heat their homes. Additionally, each year
19 there are apartment and house fires where men, women,
20 and children die. Peoples Gas puts forth that the
21 rate increase will average out to about \$12 a month,
22 trying to minimize the effect it will have on the

1 current economic community. \$161 million, \$75
2 million or even \$10 million will devastate the local
3 economy. That's millions of dollars that will be
4 stripped from people's wallets, millions of dollars
5 that they're not going to spend at the local grocery
6 store, bookstore, concerts, florists and other
7 businesses. Chicago lost over 200,000 jobs last
8 year, it can't afford to lose millions more in
9 disposable income.

10 As a social worker, I have seen
11 firsthand how low-income families struggle to pay
12 rent, utilities and medical costs. I see how they
13 flounder in the winter literally picking up cans out
14 of the trash to help pay the gas bill. We don't know
15 how many families this year will start the winter
16 without heat; but with a rate hike another chunk,
17 that chunk that's barely holding on sacrificing food,
18 medical expenses and safety to keep their heat on so
19 they don't fall through the cracks and they don't
20 start next year as a potential household without heat
21 with the number of children who die in house fires.
22 All this because we put profits before people.

1 CEDA provides limited help to some
2 families, but not all families. Those who are not
3 documented, for example, are not eligible for CEDA;
4 but they, too, pay gas bills. CEDA is funded by tax
5 dollars, my tax dollars, your tax dollars, all of our
6 tax dollars. Tax dollars that end up going to
7 private not-for-profit business. If gas bills were
8 lower we wouldn't need to put so much money into
9 CEDA, and we can put that money into publicly funded
10 institutions like hospitals, public schools,
11 libraries. In Chicago heat is a necessity to live,
12 not a luxury. Reject this rate hike and any rate
13 hike until you can ensure that all Illinois residents
14 have gas service.

15 CHAIRMAN BOX: Thank you.

16 Next we'll hear from Ms. Jacqui
17 Abrams.

18 (No response.)

19 Next we have Ms. Dolores Smith.

20 MS. DELORES SMITH: Good morning. My name is
21 Dolores Smith and I am here today to speak on behalf
22 of the Cook County Workers Benefit Council, a

1 delegate body that represents the needs of services,
2 workers and other low-paid workers in Cook County.

3 We demand that the ICC do your duty
4 and deny any rate increase to Peoples Gas. This is
5 simply a matter of fulfilling your responsibilities
6 to the people of Illinois. The Illinois General
7 Assembly and Public Utilities Act of 2001 states that
8 the ICC is a state agency to regulate utilities and
9 that -- and I quote, The goals and objectives of such
10 regulation shall be to ensure the rates for utility
11 services are affordable and therefore preserve the
12 availability of such services to all citizens.

13 Heating gas is not affordable and
14 available to all in our city right now. Over 56,000
15 households in Chicago began last winter without heat.
16 This past April Peoples Gas sent out disconnection
17 notices to over 80,000 families, that's nearly 1 out
18 of 10 customers. Sky high gas rates hit low-income
19 working families the hardest. We are forced to
20 choose between food and heat, short our landlords on
21 rent and cut back on medications. We suffer through
22 subfreezing temperatures and get sick or turn to

1 other means of staying warm. There have been fires
2 almost daily this winter in poor areas of Chicago as
3 low-income families resort to using electric space
4 heaters because they cannot afford their gas bill.
5 I'm sure you remember the three children who died in
6 the house fire in December 2008 after Peoples Gas
7 shut off their heating gas.

8 Each rate hike means we have less
9 money to spend in our communities and local
10 businesses have fewer customers. The Chicago economy
11 can ill afford another \$161 million taken out of
12 workers' pockets. This rate increase request is
13 clearly a profit grab. The parent company of Peoples
14 Gas, Integrys, increased profit 61.3 percent in 2008
15 after you, the ICC, granted Peoples a \$71 million
16 rate hike. And I quote from Crain's Chicago
17 Business, Integrys, currently has the highest
18 dividend yield in the utility industry, but that rich
19 payout is vulnerable unless Peoples can persuade
20 state utility regulators to give a hefty rate hike in
21 January.

22 For you, the ICC, to grant this rate

1 increase would be a clear dereliction of duty. We
2 call on you to fulfill your mandate to ensure utility
3 service is available and affordable and available to
4 all. Deny Peoples Gas a rate increase. Suspend
5 disconnections and reconnect service for all. ICC,
6 do your duty. Freeze the rates, not the rate payers,
7 and reject any rate increase for Peoples Gas. And I
8 also have some letters that were collected by other
9 people who feel the same way.

10 CHAIRMAN BOX: Thank you.

11 Next will be Sheila West.

12 MS. SHEILA WEST: Good morning, everyone. My
13 name is Sheila West and I'm here to oppose the
14 proposed rate increase for Peoples Gas. It's not a
15 good idea because the economy is in a recession.
16 Many people, myself included, cannot afford it. We
17 need lower rates and not higher rates. I live with
18 my brother and he is the only one working. Our rent
19 is going up, and I am struggling to find work.

20 I know many families receive temporary
21 assistance like CEDA, but it's just that, temporary.
22 There's no kind of long-term solution. The ICC has

1 the power to put in more long-term solutions instead
2 of letting Peoples Gas take more money out of our
3 empty pockets to line their pockets with growing
4 profits for shareholders and executives of Peoples
5 Gas. Please tell them no. Peoples Gas has taken
6 hundreds and millions of more dollars out of our
7 community. Simply put, the State of Illinois and our
8 city, Chicago, have probably never seen a worse
9 economic hardship. There have been reported deaths
10 and some unreported in the paper and from stories
11 I've heard from space heater use. You can prevent
12 those deaths. ICC Commissioners, please deny the
13 rate increase for Peoples Gas and take away the means
14 to approach the utilities so that we can afford.

15 One more thing, it's getting
16 progressively expensive to live in Illinois. My
17 brother David had to move out to Iowa to find work.
18 My cousin lives in Minnesota. We can't afford it.
19 We have no money. Please. Peoples Gas, we cannot
20 afford it. I'm sorry.

21 Good-bye.

22 CHAIRMAN BOX: Next we have Ms. Doschia

1 Hawkins-Parker.

2 MS. DOSCHIA HAWKINS-PARKER: Good morning. My
3 name is Doschia Hawkins-Parker. I am a resident in
4 Chicago. I'm here to speak on behalf of the
5 residents in Chicago who have medical needs. I have
6 been a personal assistant with the Department of
7 Rehabilitation of Illinois. I've experienced persons
8 with disabilities such as burn victims, persons with
9 sight problems, stroke victims who have had problems
10 with their gas being turned off.

11 All low-income and fixed-income
12 persons do not live in fixed low-income housing.
13 People still are on a waiting list. Persons with
14 medical problems are to have priority with their
15 heating and cooking needs. People like these are
16 paying on their bills; although they are not paying
17 off their bills, they are paying what they can on the
18 bills and they are living on fixed incomes and they
19 are still being denied service.

20 In the past when Peoples Gas has been
21 granted higher rates, there have been fires in
22 apartments where there has been space heater use and

1 gas shutoffs, people have died in the cold. Peoples
2 Gas shareholders and executives seem to be the only
3 one benefiting from the rate increases. No new
4 services are being provided to the public.
5 Commissioners do not make our suffering worse for
6 their gains. Reject the Peoples Gas rates, please.

7 Thank you.

8 COMMISSIONER BOX: Next we'll hear from
9 Ms. Bambi Solzman.

10 MS. BAMBI SOLZMAN: Good morning,
11 Commissioners. While I'm here today with my husband,
12 I speak for many of my neighbors and fellow retirees.
13 I'm sure my feelings of outrage on the ICC's
14 consideration of the rate increase for Peoples Gas is
15 shared by many others in this room.

16 My name is Bambi Solzman and I have
17 been a Chicago Hyde Park resident for over 40 years.
18 I'm a retired respiratory therapist from La Rabida
19 Hospital in South Shore. My husband is retired as
20 well and our retirement benefits are only 80 percent
21 of our working incomes. Meanwhile the cost of living
22 is skyrocketing and you plan yet another rate

1 increase to Peoples Gas? That would be a real burden
2 to us.

3 As a professional respiratory
4 therapist, I know that heat and hot water are
5 essential for asthmatic children and adults and
6 without it your life is severely threatened. To be
7 cut off gas service means you have a cold home and no
8 hot water or cooking gas, yet the ICC does nothing to
9 guarantee the citizens, including asthmatics, are
10 protected from shutoffs. Peoples Gas will delay
11 service disconnect for one month if you have a
12 medical condition where a medical professional
13 determines that you need heat or hot water. After
14 one month you can have your service disconnected and
15 face a life-or-death situation. I can ensure you
16 that asthma does not go away after one month.

17 Fulfill your responsibilities to the
18 citizens of our state. Deny any rate increase for
19 Peoples Gas and put a moratorium on all future
20 shutoffs to protect the health and well-being of our
21 residents.

22 Thank you.

1 CHAIRMAN BOX: Thank you.

2 Next we'll hear from Marissa Brookes.

3 MS. MARISSA BROOKES: Good morning. My name is
4 Marissa Brookes. I am a Rogers Park resident and
5 therefore a customer of Peoples Gas. I'm also a
6 graduate student at Northwestern University. I'm
7 here to voice my position and a belief of many of my
8 peers that your plans to grant a multimillion-dollar
9 rate increase to People Gas is unwarranted and
10 unacceptable.

11 I have been a service worker, I have
12 families members who are service workers, and I've
13 studied the plight of service workers in my research.
14 I know the majority of new jobs in Chicago are in the
15 service sector. These jobs by and large are low pay
16 with no benefits. According to the Department of
17 Housing and Urban Development, the lowest-income
18 workers spend on average over 12 percent of their
19 income on utilities. Worse still, households in
20 Illinois of retired service workers and other seniors
21 dependant on Social Security incomes spend an average
22 of 25 percent of their income on utilities. If we

1 have to give another \$12 or more a month to Peoples
2 Gas, that means a significant additional percentage
3 of our income it spent on utilities. That would mean
4 that to keep the heat on in our homes, we have to
5 take money that we spend on rent, food,
6 transportation, prescriptions and sacrifice any of
7 those needs in order to further grandiose the
8 shareholders of Peoples Gas.

9 As the ICC, you have the role and the
10 responsibility to regulate utilities to ensure they
11 are affordable and available to all citizens. To
12 grant another rate increase would clearly contradict
13 your mandate, utilities will become even more
14 unaffordable and therefore unavailable to more
15 people. Your decision on this rate increase will
16 affect the lives of hundreds of thousands of working
17 families in Chicago, and I urge you to reject the
18 rate increase and roll back the rates.

19 Thank you.

20 CHAIRMAN BOX: Thank you.

21 Once again, Ms. Jacqui Abrams.

22 (No response.)

1 Once again, thank you to all of you
2 for your remarks.

3 Moving into today's agenda, first of
4 all, we're holding Item 12, although we will be
5 discussing it.

6 Item 1 is Docket 08-0312. This is an
7 Original Cost Audit for Commonwealth Edison Company.
8 Administrative Law Judges Hilliard and Haynes
9 recommended the Order approving the Original Cost
10 Audit.

11 Is there a motion to enter the order?

12 COMMISSIONER ELLIOTT: So moved.

13 CHAIRMAN BOX: Is there a second?

14 COMMISSIONER FORD: I second.

15 CHAIRMAN BOX: It's been moved and seconded.

16 All in favor say aye.

17 (Chorus of ayes.)

18 Opposed?

19 (No response.)

20 The vote is a 5-0. The Order is
21 entered. We will use this 5-0 roll call vote for the
22 remainder of the agenda unless otherwise noted.

1 Item 2 is Docket 09-0057.
2 Constellation NewEnergy, Inc., seeks confidential and
3 proprietary treatment of portions of its ARES
4 compliance report for 5 years. The order grants the
5 request, but only for 2 years. Administrative Law
6 Judge Hilliard recommends entering the Order.

7 Is there any discussion?

8 (No response.)

9 Any objections?

10 (No response.)

11 Hearing none, the Order is entered.

12 Item 3 is Docket 09-0306, et al.,
13 consolidated. These are petitions for interlocutory
14 review arising from the Ameren Illinois Utility's
15 rate case. The first petition is by Staff.

16 Administrative Law Judges Albers and
17 Yoder, would you please explain the Staff's position.

18 JUDGE YODER: Yes, Chairman. On the 2nd
19 Mr. Sackett's rebuttal testimony -- AIU moved to
20 strike Staff witness' rebuttal testimony wherein he
21 proposed a change in AIU's Rider T Storage Banking
22 Program. AIU already argued that in

1 Mr. Sackett's direct testimony he proposed future
2 workshops and changes to the Rider T Storage Banking
3 Program in AIU's next rate case. AIU argued that
4 this change in testimony prejudiced them in their
5 ability to properly prepare surrebuttal testimony.

6 Staff in a response maintains that
7 Mr. Sackett discussed in his testimony the issue of
8 storage cost allocation and pointed out discrepancies
9 between AIU's exhibits and the work papers. Staff
10 indicates and Mr. Sackett requested in this direct
11 testimony that AIU clarify their rationale and
12 indicate that Mr. Sackett's previously submitted data
13 requests to AIU to obtain information and
14 clarification only to receive some data the day
15 before Staff filed its direct case.

16 Staff indicates that the information
17 provided ended up being erroneous and subsequently
18 corrected it in AIU's rebuttal testimony. Therefore
19 staff maintains that Mr. Sackett's attempted to
20 elicit the correct information and once he received
21 the correct information, he then used that delayed
22 information to modify the original proposal therefore

1 asked or argues that Mr. Sackett's change in his
2 testimony was proper based on the information he had
3 received. The ALJs granted Ameren's motion to strike
4 the portion of Mr. Sackett testimony regarding change
5 in the Rider T Storage Banking Program.

6 COMMISSIONER O'CONNELL-DIAZ: Tell me what was
7 the basis of that determination.

8 JUDGE YODER: Our basis was that was a new
9 determination. He had made a change from his direct
10 testimony. He indicated -- they were proposing a
11 change in this docket. He proposed in his direct
12 that there be teacher workshops held on this issue
13 and proposed, I think, three possible changes to be
14 considered in the next rate case.

15 CHAIRMAN BOX: Judge, it's your motion. Your
16 recommendation is to deny the petition?

17 JUDGE YODER: Correct.

18 CHAIRMAN BOX: Is there a motion to deny the
19 Staff's petition for interlocutory review?

20 COMMISSIONER O'CONNELL-DIAZ: Move.

21 COMMISSIONER BOX: Is there a second?

22 COMMISSIONER ELLIOTT: I second.

1 COMMISSIONER BOX: It's been moved and
2 seconded.

3 Further discussion?

4 (No response.)

5 All in favor say aye.

6 (Chorus of ayes.)

7 Opposed?

8 (No response.)

9 The vote is 5-0. The Staff's petition
10 is denied.

11 Next there is a petition for
12 interlocutory review from Ameren Illinois Utilities.

13 Judges Albers and Yoder, please
14 explain that one.

15 JUDGE ALBERS: This is Judge Albers, I will be
16 handling that one.

17 When we prepared the schedule in this
18 matter, we had set December 2nd as the date for
19 Ameren's surrebuttal testimony out at least 7
20 business days before the hearing began on December
21 14th. In Ameren's surrebuttal that was received on
22 December 2nd, there was some discussion of other

1 postemployment benefit costs or OPEB costs and
2 certain defendant compensation expenses.

3 Staff argued on a motion to strike
4 that on those particular issues that that testimony
5 received on Ameren's surrebuttal was actually
6 responsive to Staff and Intervenor in the direct
7 testimony which was offered on September 28th. And
8 because of that response to the direct testimony of
9 Staff and Intervenors, Staff argued that OPEB and
10 defendant comp testimony should have been received in
11 Ameren's rebuttal in October. So instead of offering
12 it in October, it would have been responsive to
13 either Staff on direct, Ameren waited a month and a
14 half and offered it on December 2nd. And because
15 they waited, Staff and Intervenor had no opportunity
16 to respond.

17 With regard to the OPEB testimony,
18 that's probably the easiest one to address. Ameren
19 argued that our framing of the OPEB testimony should
20 be flipped because they claim they're responding to
21 Staff's recommended adjustment in Staff's rebuttal
22 testimony. If you look at the record, while the CUB

1 and the AG, before we proposed that OPEB adjustment
2 in their direct testimony in September -- in Ameren's
3 rebuttal they acknowledged the Fed and the CUB-AG
4 proposed adjustment, but did not speak very much
5 about it. Only when Staff adopted and supported that
6 adjustment and, again, the same adjustment that
7 CUB-AG proposed, only when Staff and CUB supported
8 that adjustment in Staff's rebuttal did Ameren take
9 that seriously and offer much more discussion of it
10 in their surrebuttal testimony.

11 So it appeared to us that given that
12 it was the exact same adjustment made or proposed by
13 CUB-AG in their direct testimony, it appears to us
14 that Staff was correct that that surrebuttal
15 testimony really should have been offered in Ameren's
16 rebuttal in October. And so that's why we struck the
17 OPEB testimony, and I'll adjust note that CUB-AG
18 supports Staff's motion.

19 Concerning the defendant compensation
20 testimony, in Staff witness Ebrey's direct testimony,
21 she laid out what she would like to see from Ameren
22 to resolve her concerns about those expenses.

1 Specifically she wanted to see some indication that
2 the net benefit to ratepayers -- I'm sorry. Let me
3 rephrase that. She wanted to see that ratepayers
4 receive a net benefit in light of the costs
5 associated with the defendant compensation expenses
6 at issue and, again, it's just the subset of Ameren's
7 compensation package of expenses.

8 What Ameren sought in Theresa Ebrey's
9 direct testimony -- what Staff was looking for --
10 they addressed to some extent defendant compensation
11 in their rebuttal, but waited until their surrebuttal
12 testimony in December to really provide what
13 Ms. Ebrey was looking for. Ms. Ebrey laid out in her
14 direct testimony what Staff was looking for resulted
15 in what Ameren offered in their surrebuttal should
16 have been provided much earlier, which would have
17 given Staff and other parties an opportunity to
18 respond.

19 COMMISSIONER O'CONNELL-DIAZ: Judge Albers, was
20 there a data request with regard to this information
21 propounded by Staff and the Company during the
22 discovery of the case?

1 JUDGE ALBERS: Yes.

2 COMMISSIONER O'CONNELL-DIAZ: And...?

3 JUDGE ALBERS: We addressed that in her
4 rebuttal testimony -- actually it was in her direct
5 testimony that she indicated that she had gotten a
6 response from Ameren, but didn't find it terribly
7 helpful.

8 COMMISSIONER O'CONNELL-DIAZ: Did she do a
9 follow-up data request, which would be normal if you
10 needed further information?

11 JUDGE ALBERS: I want to say, yes, but I'm not
12 a hundred percent certain. It wasn't put in the
13 record. We wouldn't have seen it anyway.

14 COMMISSIONER O'CONNELL-DIAZ: Well, I
15 understand that; but that's kind of what discovery is
16 about.

17 CHAIRMAN BOX: Any other questions of the
18 Judge?

19 (No response.)

20 Judge, what is your recommendation?

21 JUDGE ALBERS: We continue to believe that the
22 decision to strike the testimony was appropriate.

1 CHAIRMAN BOX: Is there a motion to deny the
2 Ameren Illinois Utility's interlocutory review?
3 COMMISSIONER ELLIOTT: So moved.
4 CHAIRMAN BOX: Is there a second?
5 COMMISSIONER COLGAN: Second.
6 CHAIRMEN BOX: It's been moved and seconded.
7 Any further discussion?
8 (No response.)
9 All in favor say aye.
10 (Chorus of ayes.)
11 Opposed?
12 COMMISSIONER O'CONNELL-DIAZ: I vote no.
13 CHAIRMAN BOX: The vote is 4-1. Ameren
14 Illinois Utility's petition is denied.
15 Items 4 through 11 will be taken
16 together. These are applications for ABC licenses.
17 ALJ Yoder recommends entering the Orders granting the
18 certificates.
19 Is there any discussion?
20 (No response.)
21 Any objections?
22 (No response..)

1 Hearing none, the Orders are entered.

2 If I can skip down, Items 13 and 14
3 will be taken together. These are petitions by
4 Marion County and Clay County to modify their 9-1-1
5 system. Administrative Law Judge Jones recommends
6 entering the Orders approving the modifications on
7 the condition that 9-1-1 callers will experience no
8 interruption of 9-1-1 service.

9 Is there any discussion?

10 (No response.)

11 Any objections?

12 (No response.)

13 Hearing none, the Orders are entered.

14 Going back to Item 12, which is
15 09-0166 and 09-0167 consolidated. This is the North
16 Shore Gas Company and Peoples Gas Light and Coke
17 Company general rate case.

18 The Commission will be voting this out
19 at its bench session January 21st. Administrative
20 Law Judges Moran and Haynes are here to answer any
21 further questions the Commissioners may have.

22 Any other questions of the Judges?

1 We acknowledge receipt of your
2 responses. My one question was on the Accelerated
3 Rider ICR, would it be from dollar one or would it be
4 just the incremental amount of the replacement of
5 mains that would be covered in the Rider? If I'm
6 understanding, your memo indicated that it would be
7 from the first dollar and not the incremental amount;
8 is that correct?

9 JUDGE MORAN: Yes, that is correct; but there's
10 an explanation for that.

11 CHAIRMAN BOX: Give us a short explanation.

12 JUDGE MORAN: The short explanation is that the
13 Company proposed an incremental the last time this
14 was being proposed in the rate case 07-0241/0242.
15 Staff came out with a different proposal and
16 therefore the Company went with Staff's proposal.
17 That carried through to this proposal and there is no
18 recommendation in this record for any other based on
19 type provision.

20 CHAIRMAN BOX: So the Rider, once it's used,
21 would include the entire amount of the main
22 replacement rather than -- it includes that which was

1 scheduled anyway without the Rider and with the
2 accelerated portion.

3 JUDGE MORAN: Well, it would start with
4 whatever is spent in 2011. You don't count the test
5 year and you don't count anything that they put into
6 the test year. It would start with 2011, anything
7 that goes into the ground or is estimated to go into
8 the ground in 2011. And it's only billed from April
9 to December and it's not the whole cost. You're just
10 collecting revenues associated with those costs.

11 CHAIRMAN BOX: Okay. Any further questions?

12 (No response.).

13 Once again this matter will be voted
14 on the bench session on the 21st. The statutory
15 deadline is January 25th.

16 Judges, thank you.

17 That concludes today's agenda.

18 Before we close I understand
19 Commissioner Ford has a resolution she would like to
20 offer.

21 Commissioner Ford.

22 COMMISSIONER FORD: Mr. Elliott would like to

1 make a recommendation.

2 COMMISSIONER ELLIOTT: Thank you. I think we
3 have a resolution and I would be pleased if
4 Commissioner Ford would read the resolution before I
5 make a motion.

6 COMMISSIONER FORD: The State of Illinois,
7 Illinois Commerce Commission on its own motion
8 acknowledging and express an appreciation for
9 Chairman Charles E. Box, public servant, on the
10 occasion of this separation of service with the
11 Commission resolution.

12 Whereas Chairman Charles E. Box on
13 January 10th, 2006, began a noteworthy tenure as the
14 first African-American chairman of the Illinois
15 Commerce Commission. And whereas throughout Chairman
16 Charles E. Box's years at the Commission, he remained
17 on course, undeterred and truly subjective to strike
18 an even balance between utilities and the ratepayers
19 and to make that balance his top priority.

20 Whereas Chairman Charles E. Box served
21 as treasurer of the executive committee of the
22 National Association of Regulatory Utility

1 Commissioners. Whereas Charles E. Box on behalf of
2 the Illinois Commerce Commission and the United
3 States served as a regulatory expert to African and
4 European regulatory Commissions.

5 Whereas Charles E. Box, a dynamic
6 former Mayor of Rockford, Illinois, for 12 years has
7 diligently and thoughtfully served the people of the
8 State of Illinois in his capacity as Chairman.

9 Now therefore it be resolved that the
10 Illinois Commerce Commission here acknowledges
11 Charles E. Box's years of public service during his
12 employment with the Illinois Commerce Commission and
13 express a deep appreciation for his public service
14 and dedication on the occasion of his departure.
15 From your fellow Commissioners.

16 COMMISSIONER ELLIOTT: I would move adoption of
17 the resolution honoring our chairman.

18 CHAIRMAN COLGAN: I second the motion.

19 CHAIRMAN BOX: I was going to say, Guys, we're
20 lacking a second.

21 COMMISSIONER ELLIOTT: Moved and seconded.

22 All those in favor?

1 (Chorus of ayes.)

2 CHAIRMAN BOX: I would like to thank you for
3 the resolution. As most of you know, this is my last
4 meeting. My last day of work will be January 19th.
5 First of all, I would like to thank Governor
6 Blagojevich for giving me this opportunity in
7 January -- Commissioner Ford indicated January
8 of '06.

9 It's been an honor and a privilege to
10 serve in this capacity. Not only because of the
11 complex issues that are involved, but also at the
12 time. It was a very interesting time here in the
13 State of Illinois as far as regulation goes. And I
14 appreciated a chance to use my skills that I've
15 accumulated over the years in other avenues and other
16 opportunities.

17 I really want to thank my fellow
18 Commissioners who some of you have heard me say this
19 before at various Chicago Bar Association functions
20 that I really enjoy this work. I thought there was
21 nothing better and probably -- I must be honest,
22 there's nothing better than being mayor of your own

1 hometown, where you grew up and where you know people
2 and people know you. That was an exciting thrill.

3 This has to be a very close second
4 because of the Commissioners I've had an occasion to
5 work with, the Staff that I think is superb in this
6 day and age when your opponents are
7 multimillion-dollar law firms and people with
8 unlimited pockets for consultants and experts. You
9 have done an enormous job, and I don't think the
10 people of the State of Illinois realize the work that
11 the Commissioners do and the Commission Staff.

12 I want to thank a lot of the parties
13 that have appeared before us for really representing
14 their clients well. I think at the end of the day
15 almost everyone here really tries to do what they
16 think is best. We have a very tough job here as a
17 lot of the speakers today said. You have to balance
18 the interest of the ratepayers and the ability to pay
19 with that of the companies and the ability for them
20 to earn a return on their moneys. And it's a tough
21 balancing act. None of these decisions are made
22 easily, and I really respect the Commissioners I work

1 with. They wrestle with these issues and they try to
2 make the best decisions they could. I can't say
3 enough about the Commissioners' assistants. I don't
4 ever think we've ever had a full 10 that were allowed
5 by statutes. There's never been an issue that has
6 come before us where those 6, 7, 8, or 9 people that
7 really didn't work long and hard. There's no such
8 thing as how many hours in a day. The key for us as
9 Commissioners is, if we want to get out a good
10 product, it's those assistants that we work with day
11 in and day out and I can't say enough about them.

12 Once again, this has been a journey
13 that I have really enjoyed. I'm sure our paths will
14 be crossing somewhere down the road, if not in an
15 official function, somewhere on the streets of the
16 City of Chicago or Washington D.C. or somewhere.
17 It's been a pleasure serving for these 4 years and
18 something I'll look back on and cherish. I want to
19 thank all of you for all of your input and the
20 Governor and Senator Jones who also had faith in me.
21 I appreciate his efforts and this will not be
22 forgotten. This is a journey that I have enjoyed and

1 I hope that I've done the job that people thought I
2 could.

3 Thank you.

4 COMMISSIONER FORD: I'm certainly glad that you
5 thought that this was second to your being a mayor.
6 I do understand you are accustomed to being in the
7 hot seat because you have to hear complaints from
8 your constituents. It is very difficult, and I do
9 know that all of us do take it seriously and
10 certainly have enjoyed working with you these last 4
11 years.

12 CHAIRMAN BOX: With that, the meeting is
13 adjourned.

14 (And those were all the
15 proceedings had.)

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